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Order 2002-3-26
Served: April 2, 2002



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 28th day of March, 2002

Ninety-day notice of intent of

CCAIR, INC.
d/b/a US Airways Express

to terminate service at Hickory, North Carolina,
under 49 U.S.C. 41731 *et seq.*

Docket OST-2002-11347 - 2

ORDER TO SHOW CAUSE

Summary

By this order, the Department is tentatively allowing CCAir, Inc., d/b/a US Airways Express (CCAir) to suspend its scheduled service at Hickory, N.C., on April 16, 2002.

Background

On January 15, 2002, CCAir filed a 90-day notice of its intent to suspend service at Hickory, on or about April 16, 2002. CCAir currently operates three daily nonstop round trips between the community and Charlotte using 19-seat Jetstream Super 32 aircraft. (See Appendix A for map.)

CCAir states that it would prefer to continue providing scheduled air service to Hickory, but the substantial increases in costs resulting from increased Federal regulations for regional air carriers makes it impossible to continue without subsidy.

Civil Aeronautics Board Order 83-11-20, issued November 4, 1983, defines Hickory's essential air service (EAS) determination as at least two nonstop round trips each weekday and over each weekend period to Charlotte with sufficient capacity to accommodate 40 enplanements each service day.

Decision

Under Public Law 106-69, the Department of Transportation and Related Agencies Appropriations Act of 2000, the Department is precluded from compensating a carrier under the Essential Air Service program for serving any community within 70 driving miles of a medium or large hub airport. Using a 1996 Rand McNally software program, we have measured the distance from the center of Hickory to the entrance of Charlotte/Douglas International Airport as 54 miles.

We tentatively find, therefore, that we are prohibited from paying subsidy to CCAir for providing air service at Hickory under the EAS program, and thus that we are also precluded from requiring the carrier to continue service at the community after the end of its 90-day notice period. Consistent with program practice, we will give the community 20 days after the service date of this order to file an objection if it believes that we have made a mistake in our distance calculations.

Although we have no authority to require CCAir to continue to serve Hickory after April 16, we note that the community generated a total of 24,761 O&D passengers in the HKY-CLT market for the year ended June 2001. With traffic levels averaging 68 passengers a day, we would encourage other carriers to examine the feasibility of providing service to the community.

As a final matter, we expect CCAir, before suspending service, to contact all passengers holding reservations for flights affected, to inform them of the suspension, and to assist them in arranging alternate transportation or to provide a refund of the ticket price, without penalty, if requested.

This order is issued under authority delegated in 49 CFR 1.56a(f).

ACCORDINGLY,

1. We tentatively find that Hickory, North Carolina is less than 70 driving miles from Charlotte/Douglas International Airport and, thus, is ineligible to receive subsidized air service under the Essential Air Service program. We will take no action to prohibit CCAir, Inc., d/b/a US Airways Express, from suspending its scheduled service at Hickory, on April 16, 2002;
2. We direct all interested persons to show cause within 20 days of the service date of this order why we should not make final the tentative findings and conclusions set forth in paragraph 1 above.¹ If no objections are filed, all procedural steps will be deemed waived, and this order shall become effective on the 21st day following the date of service;²

¹ Since we are providing for the filing of objections to this order, we will not entertain petitions for reconsideration.

² Objections should be filed with Docket Operations and Media Management, SVC-124, Room PL-401, 400 7th Street, S.W., Washington, DC 20590.

3. This docket will remain open until further order of the Department; and
4. We will serve a copy of this order on the parties listed in the Certificate of Service of Docket OST-2002-11347.

By:

READ C. VAN DE WATER
Assistant Secretary for Aviation
and International Affairs

(SEAL)

*An electronic version of this document is available on the World Wide Web at
<http://dms.dot.gov>*

**HICKORY, NORTH CAROLINA
AREA MAP**

